

Eric A. Liepins
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PROPOSED ATTORNEY FOR DEBTOR

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

IN RE:	§	
	§	
CONTINENTAL EXPLORATION, LLC	§	CASE 15-41607-R-11
	§	
DEBTOR.	§	

EMERGENCY MOTION FOR AUTHORITY TO USE OF CASH COLLATERAL

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

COMES NOW, Continental Exploration, LLC (“Debtor”) and moves the Court under 11 U.S.C. §363 for Emergency Approval of Interim Use of Cash Collateral and would show the Court the following:

1. The Debtor filed a voluntary Chapter 11 Petition on September 2, 2015.
2. The Debtor must have cash to make payroll and to pay other immediate expenses to keep its doors open.
3. The Debtors business consists of the ownership and operation of a oil and gas business.
4. Wells Fargo (“Wells”) asserts a lien on some of the operations of the Debtor.
5. Wells assets a lien on among other things, the sales revenue generated by the

some of the wells of the Debtor (“Collateral”). This Collateral may constitute the cash collateral of Wells as that term is defined in the Bankruptcy Code.

5. The Debtor is in immediately need to use the cash collateral of Wells to maintain operations of the business. The continued operations of the Debtor will necessitate the use of the cash collateral.

6. The Debtor seeks to use the cash collateral of Wells to make the payroll and continue operations. Debtor seeks interim use of the cash collateral for the uses set forth on Exhibit “A”.

7. An emergency exists in that the entire chance of the Debtor’s reorganizing depends on the Debtor’s ability to immediately obtain use the alleged Collateral of Wells to continue operations of the company while effectuating a plan of reorganization.

8. The Debtor is willing to provide Wells with replacement liens pursuant to 11U.S.C. section 552.

WHEREFORE, PREMISES CONSIDERED, the Debtor would request this matter be set down for an Emergency Hearing and that upon hearing, this Court enter an Order authorizing the Debtor’s use of the Cash Collateral of Wells in the amounts set forth in Exhibit “A” and to grant Wells adequate protection in the form of replacement liens under 11 U.S.C. section 552, and for such other and further relief as the Debtor may show itself justly entitled.

Respectfully submitted,

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By: /s/ Eric Liepins
Eric A. Liepins, SBN 12338110

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Certificate of Service

I hereby certify that a true and correct copy of the foregoing Motion was sent via telecopy or mail to Wells Fargo and the United States Trustee on the 4th day of September 2015.

/s/ Eric Liepins
Eric A. Liepins

Continental Exploration Monthly Budget

General Office Administration			
Category		Budget	
Rent		\$5,086	
Utilities supplement		\$595	
Internet		\$560	
Internet Maintenance		\$150	
Phones		\$0	
Mobile Phones		\$170	
Postage Meter Rental		\$30	
Postage		\$200	
Office Supplies		\$452	
Salaries (6)		\$32,800	
Jim Pulis	Operations Manager		\$9,400
Sharon Petry	Accounting - Revenue		\$2,300
Anne Posey	Accounting - AP		\$4,000
Glenn Seitz	Controller		\$6,800
Caleb Pulis	Roustabout		\$300
Douglas Harrington	President/Geologist		\$10,000
Consultant Salaries (3)		\$10,500	
Jeanne Laurie	Division Order Analyst		\$1,300
Terry McCart	Senior Accountant		\$4,200
Marilyn Elliott	Landman		\$5,000

Office Insurance		\$95	
Office Taxes		\$38	
Log Library - membership		\$447	
Log Library - specific charges		\$45	
Sub Total		\$51,168	
Field Operations Administration			
Category		Budget	
Truck Expenses		\$3,200	
Truck Tires		\$125	
Internet		\$0	
Phones		\$0	
Postage		\$35	
Field Expense Account		\$1,000	
Office supplies		\$100	
Salaries - full time (above)		\$0	
Salaries - part time - roustabout		\$300	
Insurance - health		\$1,000	
Insurance - vehicle		\$340	
Sub Total		\$6,100	
Total Administration		\$57,268	

Field Operations - Operations			
Pumper - South Ravia		\$3,900	
Pumper - Blaine		\$300	
Pumper - Panhandle		\$1,500	
Pumper - Lochner		\$225	
Pumper - South Texas		\$1,350	
Pumper - Rapp-Boone		\$175	
Pumper - Adams		\$300	
Hot Oil - South Ravia		\$1,450	
Paraffin - South Ravia		\$1,250	
Chemical - South Ravia		\$800	
Water Hauling - South Ravia		\$300	

Roustabout - South Ravia		\$600	
Road work - South Ravia		\$500	
Plungers - South Ravia		\$500	
Pull wells - South Ravia		\$1,000	
Electrical - Blaine		\$140	
Water Hauling- Blaine		\$350	
Water Hauling - Panhandle		\$1,350	
Extra oil plugs - Panhandle		\$200	
Road work - Panhandle		\$250	
Electrical - Adams		\$35	
Sub Total - Field Operating Costs		\$16,875	
Total - All Categories		\$74,143	
Projected Income	350000		